

**Milton Town Council Meeting
Milton Library - 121 Union Street
Wednesday, August 18, 2010
6:30 p.m.**

[Minutes are NOT Verbatim]

Recording Secretary: Helene Rodgville

1. Call to Order: Mayor Newlands called the Town Council Meeting to order at 6:30 p.m.

2. Moment of Silence

3. Pledge of Allegiance

4. Roll Call:

C Prettyman	Present
C Abraham	Present
Vice Mayor Betts	Present
C Lester	Present
C Martin-Brown	Present
C Duby	Present
Mayor Newlands	Present

5. Agenda – Additions or Corrections

Mayor Newlands: Are there any additions or corrections to the Agenda? Can we get an approval on the agenda?

C Prettyman: So moved.

C Duby: Second.

Mayor Newlands: We have a motion and a second. All in favor. Aye. Opposed. Motion is carried.

6. Executive Session – Discussion on Personnel Issues

Mayor Newlands: We need a motion to go into Executive Session.

C Prettyman: I make a motion that we go into Executive Session to discuss personnel issues.

Vice Mayor Betts: Second.

Mayor Newlands: We have a motion and a second to go into Executive Session. All in favor. Aye. Opposed. Motion is carried. We'll meet in the other room for a little while.

7. Out of Executive Session

Mayor Newlands: Can we get a motion to come out of Executive Session?

Vice Mayor Betts: I make a motion that we come out of Executive Session?

C Prettyman: Second.

Mayor Newlands: We have a motion and a second to come out of Executive Session. All in favor. Aye. Opposed. Motion is carried.

7. Old Business – Discussion and possible Vote of the Fiscal Year 2011 Budget

Mayor Newlands: We're just going to have an open discussion on the budget. Going line by line in the budget, I suggested that would not be frugal thing tonight, because we have done that quite a number of times. I think we need to have general discussion on saving money and other ways we can't really discuss too easily on generating revenue; that's kind of hard to do; like the Federal Government does.

C Prettyman: I would like to bring up budget that I was going through the one that I just found and that we are not giving anything to the Fire Department and I think that we should give something. That is a whole total volunteer service and I just think it is something we should look at.

Mayor Newlands: I don't think you will get too much disagreement with that.

Vice Mayor Betts: We discussed that last time.

C Prettyman: No I wasn't there.

Vice Mayor Betts: I made the suggestion that we should.

C Prettyman: I looked through the budget and I haven't seen any places where anything was indicated for the Fire Department.

Vice Mayor Betts: We discussed it.

Mayor Newlands: One issue we do have and that's on the revenue side.

C Prettyman: What number are you talking about?

Mayor Newlands: I'm just getting there now. It is Sewer Impact Fees; there are two of them. One is \$1,500 from Tidewater; and there's a second one, isn't there?

Robin Davis: I think the other is Sewer Permit.

Mayor Newlands: Sewer Permit Fees, thank you. Noble, under General, there are two numbers. It's the top of the last page, number 4200 and 4250. The Sewer Permit Fee, 4200, that should be okay, if it is multiplied out correctly that should be based on, George what did we say 25 homes? Okay. The other one, the \$4,250, George, that's the \$1,500 from Tidewater? Okay, so we owe Tidewater right now \$100,000. We have a choice and I have not spoken to Jerry Esposito or Bruce Patrick; they're both out this week; we have a choice, either pay them \$100,000 out of the bank or ask them to not pay us the \$37,500 on Sewer Impact Fees when they go for a permit. So that will actually increase our deficit by \$37,500.

C Martin-Brown: Well, it's better than \$100,000.

Mayor Newlands: Well \$100,000 would have to come out of the bank. So it increases our deficit; we're adding to this \$521,000 deficit, we're adding \$37,500 to that deficit, so it is going up, not going down. So that is a suggestion that I'm making in the wrong direction, I apologize.

C Duby: So far we're not off to a great start \$5,000 to the Fire Department and \$37,500 to Tidewater.

Mayor Newlands: I know.

C Lester: Well Mr. Mayor that money has to come out of cash, CD's, somewhere anyway. This deficit is going to be...

Mayor Newlands: Hang on a second. C Prettyman?

C Prettyman: I did not have... I requested the cleaned up version and I never got it.

C Abraham: He had the old one where we marked through the Mayor's changes, but he didn't get the cleaned up one.

Mayor Newlands: Oh.

C Prettyman: That's okay.

Mayor Newlands: I don't have a second copy, I'm sorry.

C Duby: So C Lester you're saying that if it is a deficit it's going to come out of the cash anyway.

C Lester: We have to invade our savings accounts so to speak.

Mayor Newlands: Okay.

C Martin-Brown: Mr. Mayor, do I understand that the \$5,000 is being put back in for the Fire Department?

Mayor Newlands: C Duby I don't know how you feel about it. I would like to.

C Martin-Brown: I was wondering if they would be willing to take a lesser amount, like \$3,000, so we could go back up next year.

Mayor Newlands: Somebody did mention last week that in times when we didn't have the money, we didn't give the Fire Department anything.

C Martin-Brown: Right.

Vice Mayor Betts: It's true.

C Martin-Brown: Or maybe they can take \$2,000 or \$3,000 and they could do the snowflake lights or something, so that it would be \$3,000 to them and they would pick up the town's snowflakes lights.

C Abraham: The other thing I tried to balance is the \$4,000 for beautification; the \$5,000 to the Fire Company, which is...

Mayor Newlands: Part of my rationale is we did that, the Garden Club doesn't have any funds; or not that much to begin with and whatever they did have they would be donating to town themselves, where the Fire Department is funded by the State, I guess, and the County.

C Prettyman: But still I think that with all that's going on in the community, I really think that we should be giving something to the Fire Department.

C Duby: Would you be willing to consider making it less, C Prettyman, than the \$5,000?

C Prettyman: Yes.

C Duby: So maybe we could take C Martin-Brown's suggestion and make it \$3,000, rather than \$5,000.

C Martin-Brown: C Prettyman, if we were amenable to \$3,000 for the Fire Department; say \$1,000 towards the Snowflake Lights; and \$1,000 to the Garden Club.

C Prettyman: You kind of lost me there with the lights and this. I'm talking about the Fire Department; because they get grants, they get some funds from the county, but things are really tightening up and I just feel that it is important to us to think about giving something to the Fire Department and I know, since I've been on this Council since 2003, we've given the \$5,000, but I can see maybe giving them \$2,500 or \$3,000. I just think that there should be something given to the Fire Department.

Mayor Newlands: So a lesser amount, \$3,000?

C Martin-Brown: Yes, \$2,500, C Prettyman suggested maybe might work.

C Prettyman: \$3,000, whatever, I just think it should be something.

Mayor Newlands: \$2,500 or \$3,000; I don't want to go line by line tonight; but let's...

C Martin-Brown: No, but I just took.

Mayor Newlands: What are we doing \$2,500 or \$3,000? We'll start with \$2,500 and leave that for now. Mr. Dickerson can you, when we get back to the office, can you connect on this Municipal Street Aid? I was looking at one of the reports and we have here at \$60,000 for street lighting and I saw something on the reports, there was somewhere in the neighborhood of \$45,000?

George Dickerson: I think it was \$42,000 or \$45,000.

Mayor Newlands: So we can lower this one expense down from \$60,000 to \$42,000.

C Martin-Brown: Oh excellent.

C Duby: Where is this?

Mayor Newlands: We should number these pages if we can also next time. It's the second to last page on the top. It's Revenue.

Vice Mayor Betts: Its Revenue, \$42,500 and the Municipal Street Expenses is \$66,000 but that's because of the Wagamon's.

Mayor Newlands: No that's done separately. Wagamon's is done separately.

C Prettyman: This is operations 6420.

Mayor Newlands: I think this was \$60,000 when Wagamon's was in there.

Vice Mayor Betts: That's what I thought.

Mayor Newlands: And then when it was split out this never got lowered; so this should be somewhere in the \$42,000.

Vice Mayor Betts: So it is somewhere else.

Mayor Newlands: Yes, the Wagamon's lights are someplace else. I saw that. That's about \$12,000.

C Duby: So you're saying that 5475, is that what you're looking at?

Mayor Newlands: Right and it should be about \$42,000 to \$45,000, which is a good thing. Yes, let's make it \$45,000 for now until we get a better number on it. What's that?

C Duby: So you say this is a good thing that the revenue is lower?

Mayor Newlands: No it is an expense. An expense is going down.

C Duby: I thought somebody said revenue.

Mayor Newlands: And then the following budget year, those roads should be included in the Municipal Street Aid, so we should be getting paid Aid money for that, so that will lessen the other part of the budget another \$12,000.

C Prettyman: Excuse me, I missed that.

Mayor Newlands: The next to the last page, Municipal Street Aid.

C Prettyman: I got that, but you were saying something after that.

Mayor Newlands: Just that when the Wagamon's streets are dedicated this year, they should be covered by Municipal Street Aid next year and we should have a little bit more of a savings for that. We need to start talking about staff and cost savings for staff. I think we need to get a generic or general sense of how much we want to save from layoffs or increasing health benefit coverage and costs.

C Duby: Do we have figures on how much we could save if it was raised to various percentages?

Mayor Newlands: That was sent out today.

C Duby: I didn't see that.

Mayor Newlands: I may have two copies of that.

George Dickerson: Is that on the email Julie sent out?

Mayor Newlands: Is that on the email you sent out today Julie?

George Dickerson: I believe so; I have some extra copies for you.

Mayor Newlands: That will be fine. I have mine.

C Lester: I have it.

C Duby: I don't have mine.

Vice Mayor Betts: I have it.

C Martin-Brown: I don't have one.

Mayor Newlands: I forwarded off C Duby's email to Julie a little late and she got back to us a little late and she got back to us a little late on this; and that's my fault. I think, if I'm not mistaken Mr. Lester, the entire healthcare was going to be around \$160,000 to \$180,000, for all staff?

C Lester: Right.

C Duby: At the current...

Mayor Newlands: At the current 70%, where we pay 70% and they pay 30%. So it is \$160,000 or \$170,000. So we're thinking of another 10% on top of that, the problem with going through some of these other charts is, you don't know what mix people are going to have; family, single, double; you really don't know what kind of mix; so an extra 10% may be giving us another \$17,000.

C Lester: Mr. Mayor, the only problem I have is that the employees I think suffered in the last fiscal year without an increase; we're not going to increase them this year; and to have them contribute more; I know it's the right thing to do, but it's a difficult thing to do.

C Duby: I have some of the same concerns; but I feel worse about laying people off; and I understand we may have to do both or whatever, but if we could lay one person off, instead of two, by increasing the health insurance; I don't know, they are all horrible choices.

Mayor Newlands: If you're going to save \$17,000 and I think laying off one person you can save \$50,000 to \$60,000; with benefits, pension and all the other things that go along with it; hurting everybody again vs. one or two people getting laid off; I would prefer to do the layoffs.

C Martin-Brown: Well we have a huge deficit; we should probably do both.

Mayor Newlands: I agree with Mr. Lester. The staff hasn't gotten an increase and they got hit with a 30% increase on their health insurance two years ago, which was changed last year.

C Lester: Plus the cost of living has not gone down.

Mayor Newlands: No it hasn't.

C Duby: What do you mean it was changed last year?

Mayor Newlands: Two years ago it was 30% of the family plan, I think, George; so the employee portion wasn't charged, so single people didn't get hit at all; that was two years ago. Last year, it was 30% of your entire premium was hit; which I preferred it to be that way. We talked to the insurance carrier to see if it should be

tiered and they said we're too small to tier it based on your salary; they said number one we're too small and our salaries don't vary that greatly to tier it, it's not worth it.

C Abraham: This will be the third one.

Mayor Newlands: This will be the third year without an increase and this will cause us to hit them again with another 10%.

Vice Mayor Betts: I just think it is a shame to hit them for everything.

Mayor Newlands: I agree. I don't want to do anything more on the insurance, myself.

C Martin-Brown: Well you're the Mayor, I defer.

Mayor Newlands: Without a raise and doing 30% I think that's fine. Do we know what other towns are doing as far as benefits?

George Dickerson: With our fiscal year we're the first ones in the arena; I predict that they are going to be in it about the same as we are.

C Duby: So what's your proposal Mr. Mayor? Are you proposing eliminating two positions?

Mayor Newlands: We need to come up with a dollar figure that we're going to have to plug the deficit with. We still haven't hired a Code Enforcer.

C Duby: That was my next question. Are you including that?

Mayor Newlands: I would like to at some point figure out how we can disburse that job out amongst the maintenance jobs who are on the road all the time; the police who are on the road all the time; and split up some of that responsibility. I mean as far as checking for business licenses, we can give the police reports to see who has business licenses or we can put the report on the Intranet, which they can actually get. So if they see somebody working and that will be weekends as well, they can find out if somebody has a license.

C Martin-Brown: It also means no car, no gas, no car insurance, no health insurance; it's a huge cut by not having a Code Enforcer.

C Duby: It's also a reduction in revenue.

Vice Mayor Betts: You're not going to get that much revenue.

C Duby: I'm not saying it weighs off, but what I am saying is that was a position that paid for itself in revenue, when it was done full time and with great attention.

Mayor Newlands: Stephanie told me that C.C. used to actually get it collected to cover his salary, at least.

C Duby: Yes, that's what I'm talking about.

Mayor Newlands: Did he cover benefits, as well? So we have the salary charts here, so if we look at the total column and go down the line, you're talking average \$45,000 to \$50,000 savings for one individual. If you look at the individual total column...

C Duby: If you take the Code Enforcer; why do we have two Codes? Oh, one is Robin.

Mayor Newlands: One is sitting next to you.

C Duby: If you take one of those out then you're talking \$50,000 to \$60,000.

Mayor Newlands: Right.

C Duby: I would like to also eliminate that eleventh police officer, because I believe that even though that's covered with the grant, that salary and benefits, I don't believe that we need to spend the additional money for a car and weaponry and uniforms and

all of those kinds of things and commit ourselves to paying for that person even when the grant is gone.

C Prettyman: I disagree on that.

Mayor Newlands: We have the car, don't we?

C Duby: Well we've got the Code Enforcer's car too. But its car expenses if somebody's using it.

Vice Mayor Betts: Does the grant cover these things?

C Prettyman: The Code Enforcer seems to pay his own salary.

C Duby: I'm sorry, Mr. Prettyman, what were you talking about?

C Prettyman: The Code Enforcer seems to pay his own salary from the work that he does. I definitely don't see taking the eleventh police officer, because he's there for three years, I believe.

C Duby: He's there for three years, if we get the grant his salary and benefits are paid. His expenses are not paid.

C Prettyman: I just don't see to do that at this time, anyway.

Mayor Newlands: We're trying to find out what the expenses are, because we thought Georgetown had a COPS Grantee and they don't. I called there the other day and they don't have one. I thought they had one. I got told yesterday they never got one; or they turned them down.

C Duby: My understanding from the other night is that we are committed; if we hire him, we are committed to keep him on the payroll, even after the COPS Grant expires after three years.

Vice Mayor Betts: One year.

Mayor Newlands: No it is three years.

C Abraham: No I thought the grant was three years, but then you didn't have to keep him on only one more year.

Vice Mayor Betts: Yes, that's what I thought.

Lt. Cornwell: I believe it's the year after.

Mayor Newlands: So staffing level doesn't need to stay at eleven, it can drop down below that, after a year? Three years or one year? We need to find this out.

Lt. Cornwell: We're not sure because Georgetown we thought was going through that process, so we're not really sure.

Mayor Newlands: I did too until yesterday.

C Duby: I can just tell you, that the thing that I have heard from people during this process the most; the folks that called me or emailed me about things; is the Police Department.

Mayor Newlands: Is it the eleventh officer?

C Duby: Not the eleventh officer, but the Police Department in general. And I think this would be, of all of the police expenses that are in the budget, this seems to me to be the easiest one to get rid of. It's not somebody that is here; we're not laying him off; and it raises a number of issues, I think, in terms of the overtime issue and all of that.

Mayor Newlands: She's worrying about it increasing because we have uniforms to pay for; gas to pay for the cars.

C Duby: The grant pays, as I understand it, for benefits and salary, period. Nothing else.

Mayor Newlands: And I don't think it pays for overtime, it pays the base pay.

C Martin-Brown: Or the equipment.

C Duby: So there is a lot of overtime and there is all of the equipment, the expenses, and the training.

C Abraham: We need that spelled out.

C Duby: Well I had requested that and didn't get it.

Mayor Newlands: We had a hard time getting it; we thought Georgetown had it and they didn't. So we'll have to check other places and look at that.

C Martin-Brown: Well I oppose funding a Code Enforcer and I oppose funding another policeman and at a Council Meeting a year ago, when we were going over the budget, it became quite heated as to what the town budget implications would be if we had the K-9 service and we were assured that that wasn't going to be in the budget, the food and all of that other stuff; and it's in this budget; and we were assured that it was not a new expense; that we were paying for the training of the dog and that was it. Now I don't want to introduce a discussion as to whether or not we need a K-9 and I suspect we do, but it's a slippery slope of a little bit here and a little bit there; and we were assured that that wasn't going to be a budget line item in the future, after training.

Lt. Cornwell: Actually the training was paid \$7,500 through a grant. The dog was paid for by the officer; so the town has no money in the dog as of yet. We're talking \$12,000 to \$14,000 just to train the dog. So the dog pretty much is free to the town. So paying for the food and some vet bills doesn't seem like it's too much to ask. I believe that the previous administration, from what I understand, were the ones that said it would not be put into the budget. It wasn't the Police Department; it was the previous Mayor that said he wouldn't have it put into the budget; it wasn't the Police Department.

C Martin-Brown: I'm not saying who put it into the budget; I'm just concerned when we go down this slippery slope: one more policeman, one more Code Officer, it all adds up and we're looking at half a million dollars out of savings to bring the town into budget, am I correct Mr. Mayor? Half a million give or take?

Mayor Newlands: Yes, it's over half a million.

C Martin-Brown: If we do half a million dollars a year out of reserves...

Mayor Newlands: You only have two years if we do that.

C Martin-Brown: And we take on new commitments as we go along, that's what is of concern.

Mayor Newlands: So we are looking at saving maybe \$150,000 on staff, one Code Enforcer, possibly two.

C Duby: Before you take out what we're going to pay out in unemployment insurance, which I would question this that it is only 26 weeks; I think with this new law; I think that is extended.

C Lester: Mr. Mayor, excuse me, that 99 weeks is for people that were already on unemployment and fell off and they were extended. Anybody new coming on is 26 weeks. The only problem one could run into is somebody could go to 26 weeks, get a job, stay there for a short period of time, either leave or be fired or laid off again, and we would then be there, and it is still in their base period, and we would be subject to another 26 weeks. We're not subject to the 99 weeks; but it could possibly be a year.

Mayor Newlands: But if you go back to the employers who were paying somebody for the 26 weeks, when it became 99 weeks, that was on the Federal Government's money, not the employer's money. So if the Federal Government decides in the 26 week period of time that they want to increase another 26 weeks, they pay the money, not us. So that's why we're certain we're only stuck with maybe \$8,580, so it's \$330 dollars a week for 6 months.

C Lester: That's the max and they may not reach the max.

Mayor Newlands: I put the per year here; that was before we knew that we had a 26 week max.

C Duby: So it's \$8,580.

Mayor Newlands: \$8,580; because we're capped at \$330 in Delaware; which is very, very low. We're lucky, other states are somewhere in the \$600 range.

C Martin-Brown: Am I correct in reading the budget; we have \$8,000 in there for URS?

Mayor Newlands: Where are you line item wise?

C Martin-Brown: There are two entries for \$2,000 and \$6,000.

Mayor Newlands: \$2,000 and \$5,000; are you talking under Admin on the first page; 5215 and 5220?

C Martin-Brown: Yes.

Mayor Newlands: That's \$2,000 and \$5,000.

C Martin-Brown: Well 5215 is \$5,000.

Mayor Newlands: \$2,000.

C Duby: It's been reduced.

C Martin-Brown: Okay, I don't have the most recent; I thought I had the most up-to-date, but it's been reduced. Okay, fine.

Mayor Newlands: So where are we with employees?

C Duby: Okay so if we do the Code Enforcer and one more person; just ball parking the figure, what does that give us?

Mayor Newlands: \$110,000 maybe.

C Duby: Minus \$16,000; so we're \$95,000, \$94,000.

Mayor Newlands: Why are you minusing that, oh you're talking about the unemployment insurance. Only for one person though.

C Duby: Yes, that's right.

Mayor Newlands: So it's \$100,000.

Vice Mayor Betts: But we have been talking about two, right?

Mayor Newlands: With one and the Code, it will be \$100,000.

C Duby: Which is a nice chunk out of the deficit, but we're still left with \$400,000.

C Prettyman: Mr. Mayor what page are you on?

Mayor Newlands: We're talking in generalities right now; we're not talking about a specific line item. We're just talking general savings if we lay off one person and not hire the Code Enforcer. We're actually just looking at the bottom line on the last page to see what we can reduce from that bottom line.

Vice Mayor Betts: But you added back the \$37,500 and the \$2,500 right?

Mayor Newlands: Yes, you have to add \$37,500 and the \$2,500. Then what will come out of that will be about \$15,000 for the street lights. You are still in the \$425,000 range for the deficit. Now one thing that Mr. Lester and I have been talking

about, we don't spread some of the expenses out through the Water Department. For instance, we have town insurance; the bulk of that is sitting in Admin; the problem with that is that a portion of that belongs to the police; not that I want to make their budget any deeper; and a portion of that belongs to the Water Department, because we're insuring their buildings, their facilities, their cars, their people; so some of that should be in the Water Department and since they're a profit center, that will lessen the burden here; so we haven't been through that yet. Mr. Lester has been talking to the insurance company, trying to get some inventory of properties and things; there are a few other things that we can spread out like that, that will allow us to put things in the Water Department, because it belongs there.

C DUBY: And that's where we have money that we can spend.

MAYOR NEWLANDS: So they have money; not that I'm looking to put everything in there, but whatever we can legally put in there. So the town insurance, and I'm just putting in ballpark figures, we have in here \$105,000; if we split that in three, because of all the vehicles and buildings we have, and part Town Hall, part Police Department and the other third for the Water Department; we would be putting \$35,000 towards the Water Department and saving \$35,000 in the other departments. That's just shifting the money around a little bit, legally, which is fine. There are a few others that we can do that with, as well. We need to figure out the percentages. I know some payroll expenses are not split out that way. They should be put to the Water Department. If you look at payroll processing expenses, that's a small item; Edmunds Software, that's another small item; but it will add up; so we can split a few of those underneath the Police Department and the Water Department. It just puts things that belong into the Water Department with them.

C ABRAHAM: Well the salary that goes to the employee that is split between the Admin and the Water Department, the salary portion part comes also from the Water Department, because I'm wondering if you could almost move that employee under the Water Department and since the Water Department is a money maker?

MAYOR NEWLANDS: It is 50/50 right now.

C ABRAHAM: But I just didn't know if her...

MAYOR NEWLANDS: Actually her salary is 50/50, but I probably couldn't tell you if the benefits are or not. So the benefits probably need to get proportioned out; the taxes; the pension; so I think if that all gets shifted over it would be a few more dollars, as well. So I know the line item for salary is 50/50, but I'm not sure if the others are going in lock step with it. So we need to look at that.

VICE MAYOR BETTS: It says the water supervisor is under the water. Is all of his salary under the water?

MAYOR NEWLANDS: No the water supervisor, probably. George, tell me the other guys...

C ABRAHAM: They're under parks or streets, though.

MAYOR NEWLANDS: Yes, streets and parks have a little bit, because of the way they allocate the money. What they do is actually they are allocating their salary, based on the tasks they do.

VICE MAYOR BETTS: But they have it listed as a water supervisor.

MAYOR NEWLANDS: Right, Dustan, he should be probably underneath there totally.

VICE MAYOR BETTS: That's what I'm asking; that would help.

George Dickerson: The only problem for us doing that; is that he doesn't perform that task all the time. He's not directly related to water, he does other things, even though he is the water supervisor; yes, but a majority of them would agree, but not all of them.

Mayor Newlands: The only two things that are not underneath the other departments are streets and parks and they are \$30,000 and \$32,000, I think, salaries. We just have to make sure that we have all the pension properly allocated under water; for all the employees that are there.

C Duby: But would you guess that once we sort all that out that it might be a total of \$50,000 or something, if we shift it? Or could it be more than that?

Mayor Newlands: I know \$35,000 for the insurance; a small amount for the Edmunds Software \$3,000 or \$4,000; some for pensions; fringe benefits.

C Martin-Brown: Mr. Town Manager on Dustan's position, would that be an 80% on water and 20% other?

George Dickerson: I don't know the answer to that; perhaps a major portion of his salary could be there, but he does perform other tasks and I'm not sure of exactly what the percentage is.

C Martin-Brown: Thank you.

Vice Mayor Betts: If his title is water supervisor, I think the biggest portion of that could go under water; that's his position and I would think...

C Abraham: I would think.

Mayor Newlands: We have very little of those guys that are down in the public works department, very little belongs to streets and very little belongs to parks. The bulk of it already is in water; I just want to make sure all of the other things that need to be there in water, are there.

Vice Mayor Betts: I was just worried more about the water supervisor.

C Duby: Here's the dilemma, as I see it. Even if you assume \$100,000 off for the Code Enforcer and one more position; let's say generously \$50,000 from reallocating this money into water and let's say we eliminate another position, which is another \$50,000; we're still sitting on at least \$300,000 to \$350,000. I can't think of any other way to do that; so what is our option? Our only option is reserves. Right? So what do we do?

Mayor Newlands: Yes, but we need a commitment at some point to put the reserve money back; that which we have never done.

C Duby: Well? Yes, I understand that.

Mayor Newlands: And I think we need some cost-cutting measures within Town Hall; we have to go through a lot of cost-cutting measures; we've learned some things from Georgetown; they do mail with Mail Depot; so the bills get sent out a different way; we've had some suggestions about doing e-billing; I'm not sure we're equipped to do e-billing. I'm not sure if a lot of the public would like us to do e-billing.

C Duby: I was going to say, I don't think a lot of our residents would like us to do e-billing.

Mayor Newlands: I don't even do e-billings. There are a lot of cost-cutting measures that I think we need to start doing; that we haven't been doing; that needs to get done over time.

C Duby: Absolutely.

Mayor Newlands: You're right; we're going to have about \$300,000, in that neighborhood. The Finance Committee we've been doing it, all along; the only reason we're at a Town Council Meeting tonight vs. a Workshop is because of the vote.

Jim Crellin: I mentioned before that the Co-op yelled about buying office supplies and all that. But has anyone looked at, or is it possible to do insurance buying Co-ops with property insurance?

Mayor Newlands: Well actually there is a group that's called the DFIT.

Jim Crellin: Is it a Municipal Association?

Mayor Newlands: They do liability now.

George Dickerson: That's correct.

Mayor Newlands: They are starting to do health; they do worker's comp; and it's a consortium of municipal employees.

Jim Crellin: How about property?

Mayor Newlands: I don't think they do property yet.

George Dickerson: Not property, no.

Mayor Newlands: So that's starting in the municipalities, they're starting to get together throughout the state to do that. I shouldn't say starting; worker's comp has been done for a couple of years.

George Dickerson: I have met with the lady from DFIT, at least a couple of times, and there are some good ideas there; we just need to explore what those possibilities are.

Mayor Newlands: Excuse me.

C Abraham: Do we have to vote?

Mayor Newlands: We have to vote, but you don't have to accept the budget.

C Abraham: That's what I was going to say, because I don't accept it.

Mayor Newlands: You can always say we're not accepting it as it stands.

Vice Mayor Betts: I wonder how much the K-9 is insured for.

Mayor Newlands: We can start exploring more options in Town Hall and more programs like Jim is saying also.

C Abraham: I would like to see another pre-nup of what we discussed tonight where we are appropriating where it would go. I don't feel we're capable of voting on the budget tonight.

Vice Mayor Betts: But we have to.

Mayor Newlands: I think Mr. Lester and I have to look at some of these insurances; we're still getting information and data in from the insurance company. So we need to get that and firm up splitting these figures and I think we should take a look and see what else we could split across the different departments; just to help out with the deficit.

C Lester: Mr. Mayor, I think we could sit here and go through this tonight, but I think as an ongoing measure if the Financial Statements would be presented correctly for the coming fiscal year, we can watch those items and that's what is going to be critical and any deviation from the budget should have Council approval; not having somebody just go ahead and say I need this truck or I need this and we go ahead and purchase it.

Mayor Newlands: I agree.

C Lester: We have to be frugal.

Mayor Newlands: Right and we need the employees to go out and do the same thing and question everything they spend money on. I see lots of things coming out of Ace Hardware, but they're things that we need to fix something that broke in the park or someplace else and it's just a matter of and I've said this before; it's care and feeding of people, parks, buildings and vehicles.

C Lester: One thing I've seen some companies, mostly public companies, I think, if they could afford it, is give a some sort of a bonus or some incentive for people if they come up with a way to save money or actually save money; some incentive for employees and we could give them a Starbuck's Credit Card or something; but if we just get everybody involved; not just the Council. It has to be every single person that has to understand that it is to their ultimate benefit.

Mayor Newlands: We need to get a cost savings program throughout Town Hall, the Police Department and the Public Works Department. They all need to be conscious of it, because next year maybe somebody else will be getting laid off; if things get worse.

C Duby: There are only so many people that we can lay off, before we start cutting into the services that we're providing to people in town. And so I think we have to look at that, as well.

Mayor Newlands: I already have people asking me if I have talked to John Star about opening up a parking lot on the corner, because that will help the businesses down there with parking and that's another issue.

C Duby: If we don't have any business in town, we don't need any parking spaces and right now we don't have much business in town.

Mayor Newlands: Yes, but what I'm getting from the business owners is that it is a chicken and egg thing. If we don't open a parking lot, we're not going to get the businesses to come here; there's no place for them to park. So we're looking at the insurance. George is going to talk to the insurance company about insuring a parking lot.

C Duby: Well I would certainly make that a low priority. I have never, during business hours, found trouble parking on the streets of Milton, Delaware, ever.

Mayor Newlands: Even downtown?

C Duby: Especially downtown. And I'm down there all the time because I'm working at the theater and I have never had trouble; there are tons of parking spaces downtown.

Mayor Newlands: What I'm getting from the business owners is that when that parking lot closed up, that's when the businesses closed up.

C Abraham: Oh that parking lot always had vehicles in it, because I'm trying to remember why he ever closed it.

C Martin-Brown: Yes.

Mayor Newlands: Insurance, it was an insurance issue.

C Duby: Yes, there were cars in it, but there was plenty of parking.

C Martin-Brown: Part of the problem was that Long & Foster and those real estate people that were across the street when the real estate market tanked, they were no longer worth having in town. Long & Foster was there and businesses dependent, like if the financial arrangements, Mr. Ashby had an office across the street; the

economy is changing; whether it was a financial advisory service or real estate, when those tanked, those buildings went vacant.

C Abraham: I think we tried to purchase that.

Vice Mayor Betts: We did, we tried to rent it also.

C Abraham: Because that piece went clear back to the water.

Mayor Newlands: That's a huge piece of property.

C Duby: Well and if we do take it on, it's in terrible shape and we're going to be taking on some liability for people tripping and falling on that broken concrete. It's a mess.

Mayor Newlands: It's not that bad.

C Duby: I saw two people trip and fall during the last art show that was held there, the sidewalk art show.

C Martin-Brown: Well Mr. Mayor are we going to get a leaner budget before we vote?

C Duby: We have to vote tonight.

Mayor Newlands: We have to have some sort of a vote tonight.

George Dickerson: If I may; only that the Charter requires you to vote tonight, that doesn't mean that it has to be an affirmative vote.

Mayor Newlands: We don't have to adopt the budget; we just have to vote tonight.

George Dickerson: You just have to vote tonight.

C Duby: Is it your assumption that we will have another workshop?

Mayor Newlands: Yes.

C Duby: Because I don't see a need for one; it seems to me. There's only so much that we can cut and it sounds like we have pretty much...

Mayor Newlands: Well we haven't gone through all the insurance information yet.

C Duby: No, I know, but I mean I'm not talking about voting on this budget tonight affirmatively, at least I'm not going to vote affirmatively; but if we factor in all of the things that we've talked about tonight; the reapportioning of things to the Water Department; the positions; the amount of money that we're estimating we can save by laying people off; and all of that; if there's no more to cut, then whatever is left will have to come out of reserves; then what is the point of having another meeting to try to go through it once again to see if there are more cuts; unless somebody has any ideas.

Mayor Newlands: I think the problem is and Seth's not here to correct me on this; but if we give out all that information, I can't poll everybody and say we're okay, we're going to vote on this as it is? You're going to have to come to some sort of meeting and come to some sort of consensus; it may be a 10 minute meeting, that what you produced is fine; but we may not be able to pass everything out and make that decision.

C Duby: But why not do that at the Council Meeting when we vote on the budget? Why do we have to have a workshop to do that?

Vice Mayor Betts: Because we have to agree.

Mayor Newlands: Well we could do that but if we vote no at the Council Meeting, you'll have to have a workshop after the Council Meeting; because the budget has to adopted by the end of September.

C Duby: I understand that; but all I'm saying is, unless somebody thinks that there's going to be a miracle or somebody is going to have a brainstorm, between now and the Council Meeting, it seems to me what we've put in tonight, and we discuss it at the Council Meeting...

Mayor Newlands: The Council Meeting is three weeks from tonight? That's 2-1/2 weeks from tonight?

Vice Mayor Betts: We can vote tonight whether we approve it or not. I think that should be done and then come back and have a workshop to see what you've come up with, with Mr. Lester, and then we can vote on that, to see if we accept your plan. I think that's the proper way.

Mayor Newlands: We can have a workshop and nobody attends.

Vice Mayor Betts: That's right.

C Duby: Well I probably won't, because I've got one free night between now and the Council Meeting. It seems to me it's a waste of time, but if you want to have it.

Mayor Newlands: The choice is if we don't have another workshop, we do it at the Town Council Meeting in September, which should not be construed as a workshop; we shouldn't be sitting there cutting things in that kind of a meeting. We should either adopt it or not and then go into workshops after that and then adopt the budget by the 30th of September. At the next Town Council Meeting we should not be spending time haggling over a budget. We either know where we're going to be at and we need a workshop or not. We will either adopt it or go into a workshop and continue forward until the end of the month. I know people are busy now.

C Duby: I don't see the issue as you do, I guess, because it seems to me there's only so much we can do; if you come in at the Council Meeting with the cuts that we've talked about tonight; and there's nowhere else to go, unless we're going to lay off another person or raise property taxes or do something that is certainly not acceptable to me, then we've done what we can do. I don't know what else there is to do.

Mayor Newlands: Well, we haven't decided if we're laying off one person or two people; we haven't made that decision yet; and I guess if Norman gets this stuff spread out; there are portions for the different departments, then we could look at it at the next Council Meeting, I'm not sure.

C Duby: I'm not aware of anything in terms of our procedural rules that say that we can't have the kinds of discussions there. You come in and give us a budget that says it would be this much if we lay off one person; and it will be this much if we lay off two and this much if we lay off three; we talk about that and then we vote on it.

Vice Mayor Betts: I still think it should be done before we go to Council Meeting, so that we can discuss it.

Mayor Newlands: If all we're doing is discussing whether or not it's one person or two persons, plus the Code; that we can handle in the Council Meeting; you'll have the figures for that. That's not too bad.

C Duby: I don't see anything that precludes our having a discussion about the budget at the Council Meeting.

Mayor Newlands: No there isn't at all. I don't want it to go to far that we're put against the wall at the end of September having workshops.

C Duby: The end of September is a long way off so I think we've got plenty of time to have one if we have to.

Mayor Newlands: I mean the second half of September. I don't want it to be that we're in a crunch the second half of September trying to get this stuff done.

C Martin-Brown: Mr. Mayor I would like to make a motion that we vote on this budget, as stipulated in the agenda.

Mayor Newlands: Which way?

C Martin-Brown: To approve what we have in front of us, with the understanding there will be a workshop.

C Duby: Can't approve it.

C Martin-Brown: You can't approve it.

C Duby: If you're going to approve it, there are no more workshops.

Vice Mayor Betts: But she has a right to make that motion and let everyone else vote.

C Duby: Absolutely.

Vice Mayor Betts: That's what she's doing.

C Martin-Brown: It said discussion and possible vote on the Fiscal Year 2011 budget and I'm making the motion that we approve the budget.

Vice Mayor Betts: And then everyone else can vote.

C Martin-Brown: Is anyone inclined to give it a second.

C Duby: I will second it.

Mayor Newlands: We have a motion and a second to approve the budget. We'll take a roll call vote:

C Lester	No
C Martin-Brown	No
C Duby	No
C Prettyman	No
C Abraham	No
Vice Mayor Betts	No
Mayor Newlands	No

Mayor Newlands: Motion is denied.

10. New Business

11. Adjournment

Mayor Newlands: Need a motion for adjournment.

C Martin-Brown: Mr. Mayor, are you entertaining a motion for adjournment? I so move.

C Prettyman: Second.

Mayor Newlands: We have a motion and a second to adjourn; all in favor; aye; opposed; motion is carried. Meeting adjourned at 8:39 p.m.